

FILED
4/23/2024

KSR

1:24-cr-00198

Judge Steven C. Seeger
Magistrate Judge Sheila M. Finnegan
RANDOM/CAT. 3

THOMAS G. BRUTON
CLERK, U.S. DISTRICT COURT

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA

Case No.

v.

KEVIN CROTTY

Violations: Title 15, United States
Code, Sections 78j(b) and 78ff(a); Title
17, Code of Federal Regulations,
Section 240.10b-5

The ACTING UNITED STATES ATTORNEY charges:

1. At times material to this Information:

a. Defendant KEVIN CROTTY was a resident of Chicago, Illinois. CROTTY was employed by Company A as a senior manager in its Chicago office and had worked at Company A for over 20 years.

b. Company A was an oil and gas company, headquartered in the United Kingdom.

c. Company B was an operator of truck stops and travel centers across the United States, headquartered in the state of Ohio. Company B's stock traded on the Nasdaq stock exchange.

d. In or around February 2023, CROTTY learned through his employment at Company A that Company A was planning to acquire Company B. This information that CROTTY learned about Company A's acquisition of Company B was material and nonpublic.

e. Company A had a written policy expressly forbidding employees from misusing or disclosing confidential information and from trading stock on the

basis of material nonpublic information learned as part of their job, which included information about acquisitions by Company A of other companies.

f. As a senior manager at Company A, CROTTY owed Company A duties of trust and confidence to maintain the confidentiality of the material nonpublic information he obtained during his employment there. These duties prohibited CROTTY from trading the stock of any company that Company A was planning to acquire.

2. Beginning no later than January 2023, and continuing through May 2023, in the Northern District of Illinois, Eastern Division, and elsewhere,

KEVIN CROTTY,

defendant herein, directly and indirectly, by the use of a means and instrumentality of interstate commerce, willfully used and employed, in connection with the purchase and sale of securities, a manipulative and deceptive device and contrivance, in contravention of Title 17, Code of Federal Regulations, Section 240.10b-5, by: (a) employing a device and scheme to defraud; and (b) engaging in an act, practice, and a course of business which operated and would operate as a fraud and deceit upon any person, which scheme is further described below.

3. It was part of the scheme that, in breach of the duties of trust and confidence that CROTTY owed to Company A, CROTTY misappropriated for his own benefit certain material nonpublic information that he obtained as a result of his employment, including material nonpublic information about Company A acquiring Company B. CROTTY, while in possession of this material nonpublic information,

purchased shares in Company B's stock, and as a result made illegal profits of approximately \$30,836.03.

4. It was further part of the scheme that in February 2023, CROTTY solicited information from a co-worker about Company A's acquisition of Company B. Unbeknownst to that co-worker, CROTTY relied on and used the material nonpublic information provided to CROTTY to purchase Company B's stock.

5. It was further part of the scheme that, on or about February 15, 2023, and while in possession of material nonpublic information, CROTTY used three accounts that he controlled to purchase approximately 848 shares of Company B's stock for between \$47.45 and \$49.75 a share. On February 16, 2023, Company A publicly announced its acquisition of all outstanding shares of Company B's stock for approximately \$86 a share, which caused the value of Company B's stock to increase.

6. It was further part of the scheme that, after the public announcement of Company A's acquisition of Company B, CROTTY falsely stated to a representative of Company A that he had not been in possession of material nonpublic information when he purchased Company B's stock prior to Company A's acquisition of Company B.

7. On or about February 15, 2023, in the Northern District of Illinois, Eastern Division, and elsewhere,

KEVIN CROTTY,

defendant herein, in connection with the purchase and sale of a security, willfully used and caused the use of a means and instrumentality of interstate commerce, namely, the internet, to enter an order to purchase 419 shares in Company B's stock;

In violation of Title 15, United States Code, Sections 78j(b) and 78ff(a), and Title 17, Code of Federal Regulations, Section 240.10b-5.

**JASON
YONAN**

Digitally signed by
JASON YONAN
Date: 2024.04.16
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Signed by Jason Yonan on behalf of the
ACTING UNITED STATES ATTORNEY